

# **TOWN OF CARNEGIE**

June 30, 2013

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**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Carnegie  
Carnegie, Oklahoma

Trustees of the Carnegie Public Works Authority  
Carnegie, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

Caddo County Clerk  
Anadarko, Oklahoma

Oklahoma Department of Commerce  
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Modified Cash Basis of the Town of Carnegie and Public Trust, Carnegie, Oklahoma as of June 30, 2013 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Budgetary Comparison Schedule of FEMA Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Carnegie Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2013. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2013. Management of the Town of Carnegie is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose

**Procedures and Findings**

As to the **Town of Carnegie** as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

As to the **Carnegie Public Works Authority**, as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements

of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

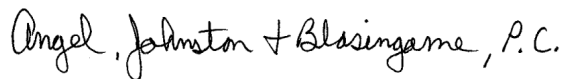
As to the **Town of Carnegie and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.



Angel, Johnston and Blasingame, P.C.  
November 14, 2013

**TOWN OF CARNEGIE AND PUBLIC TRUST**  
Carnegie, Oklahoma

**SUMMARY OF CHANGES IN FUND BALANCES-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2013  
(Unaudited)

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balances</u>
<b>TOWN:</b>				
General Fund	\$ 358,929	\$ 1,196,548	\$ 1,247,293	\$ 308,184
Street & Alley Fund	55,890	15,744	21,053	50,581
Fire Department Fund	13,586	15,725	26,323	2,988
Cemetery Care Fund	47,285	472	20,000	27,757
Ambulance Grant Fund	-	5,000	1,810	3,190
CDBG-CIP Fund	1	-	-	1
Capital Improvement Fund	3,077	3	2,337	743
Airport Fund	1,157	2,725	2,626	1,256
REAP Grant Fund	1	-	-	1
Police Grant Fund	596	3,613	4,208	1
Library Grant Fund	3,003	3,334	5,391	945
Fema Grant Fund	77,562	12,177	-	89,739
Airport Grant Fund	6,426	6,113	12,538	1
Ambulance Fund	-	62,184	29,203	32,981
Library Fund	2,038	181	1,457	762
Cleet	-	-	-	-
<b>Town Subtotal</b>	<u>569,550</u>	<u>1,323,819</u>	<u>1,374,239</u>	<u>519,130</u>
<b>PUBLIC TRUST:</b>				
Public Works Authority Fund	153,871	430,851	436,015	148,707
Meter Fund	-	-	-	-
<b>Public Trust Subtotal</b>	<u>153,871</u>	<u>430,851</u>	<u>436,015</u>	<u>148,707</u>
<b>Overall Totals</b>	<u>\$ 723,421</u>	<u>\$ 1,754,670</u>	<u>\$ 1,810,254</u>	<u>\$ 667,837</u>

**TOWN OF CARNEGIE AND PUBLIC TRUST**  
Carnegie, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2013**  
**(Unaudited)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance</b>	<b>\$ 247,350</b>	<b>\$ 247,350</b>	<b>\$ 358,929</b>	<b>\$ 111,579</b>
<b>Revenues:</b>				
Sales tax	382,500	422,500	562,868	140,368
Use tax	27,000	27,000	43,699	16,699
Alcohol Beverage tax	14,000	14,000	15,208	1,208
Use/Sales tax-Hospital	136,500	136,500	-	(136,500)
Cigarette tax	8,000	8,000	7,361	(639)
Franchise tax	45,000	45,000	44,330	(670)
Police Fines	75,000	75,000	43,893	(31,107)
Ambulance tax	170,000	170,000	130,941	(39,059)
Fees	18,000	18,000	6,584	(11,416)
Licenses	1,500	1,500	972	(528)
Cemetery	2,000	2,000	3,309	1,309
Pool	23,000	23,000	23,496	496
Garbage	210,000	210,000	208,698	(1,302)
Interest	2,000	2,000	1,078	(922)
Rents	3,000	3,000	2,401	(599)
OEPIIC Insurance Reimbursement	45,000	45,000	48,242	3,242
Miscellaneous	2,500	2,500	49,073	46,573
<b>Total Revenues</b>	<b>1,165,000</b>	<b>1,205,000</b>	<b>1,192,153</b>	<b>(12,847)</b>
<b>Other Financing Sources:</b>				
Transfers from other funds	-	787	4,395	3,608
<b>Amounts available for appropriation</b>	<b>1,412,350</b>	<b>1,453,137</b>	<b>1,555,477</b>	<b>102,340</b>
<b>Charges to Appropriations:</b>				
Police	368,000	350,587	340,073	10,514
General Government	48,900	55,200	53,216	1,984
Garbage	219,336	240,246	233,768	6,478
Fire	34,200	45,450	43,990	1,460
Parks	11,700	11,700	11,575	125
Street & Alley	1,200	2,000	1,039	961
Town Clerk	71,100	71,000	69,497	1,503
Town Treasurer	5,200	5,500	5,398	102
Pool	30,500	34,100	31,407	2,693
Court	2,900	3,050	2,988	62
Cemetery	13,500	13,600	13,588	12
Library	18,000	17,900	17,079	821
Town Attorney	6,500	6,500	6,453	47
Hospital	309,500	285,500	283,091	2,409
Ambulance	-	123,200	123,130	70
<b>Total Expenditures</b>	<b>1,140,536</b>	<b>1,265,533</b>	<b>1,236,293</b>	<b>3,359</b>
<b>Other Financing Uses:</b>				
Transfers to other funds	-	11,000	11,000	-
<b>Total Charges to Appropriations</b>	<b>1,140,536</b>	<b>1,276,533</b>	<b>1,247,293</b>	<b>29,240</b>
<b>Unallocated Fund Balance</b>	<b>271,814.00</b>	<b>176,604.32</b>	<b>-</b>	<b>176,604</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 308,184</b>	<b>\$ 308,184</b>

**TOWN OF CARNEGIE AND PUBLIC TRUST**  
Carnegie, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**FEMA FUND**  
**For the Fiscal Year Ended June 30, 2013**  
**(Unaudited)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance</b>	\$ 77,558	\$ 77,558	\$ 77,562	\$ 4
<b>Revenues</b>	300	300	12,177	11,877
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	77,858	77,858	89,739	11,881
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	77,857	52,857	-	52,857
Capital Outlay	-	25,000	-	25,000
Debt Service	-	-	-	-
Total Other	77,857	77,857	-	77,857
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	77,857	77,857	-	77,857
Unallocated Fund Balance	1	1	-	1
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 89,739	\$ 89,739



**TOWN OF CARNEGIE AND PUBLIC TRUST**  
**Carnegie, Oklahoma**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**CARNEGIE PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2013**  
**(Unaudited)**

**Operating Revenues:**

Charges for services:

Water Revenue	\$ 282,990
Sewer Revenue	104,533
Miscellaneous	1,803
Total Operating Revenue	<u>389,327</u>

**Operating Expenses:**

Personal Services	235,366
Maintenance and Operations	123,146
Total Operating Expenses	<u>358,512</u>

Operating Income (Loss)	<u>30,814</u>
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**Non-Operating Revenues (Expenses):**

Investment Income	1,211
OEPIIC Insurance Reimbursement	14,279
Sale of Assets	23,325
Capital Outlay	(74,793)
Total Non-Operating Revenues (Expenses)	<u>(35,978)</u>

<b>Net Income (Loss) Before Contributions and Transfers</b>	(5,164)
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Capital Contributions	-
Transfers in	2,710
Transfers out	<u>(2,710)</u>

<b>Changes in Fund Balance</b>	(5,164)
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<b>Fund Balance - beginning</b>	<u>153,871</u>
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<b>Fund Balance - ending</b>	<u><u>\$ 148,707</u></u>
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**TOWN OF CARNEGIE AND PUBLIC TRUST**  
Carnegie, Oklahoma

**SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2013  
(Unaudited)

	<b>Award Amount</b>	<b>Prior Year(s) Receipts</b>	<b>Prior Year(s) Disbursements</b>	<b>Beginning of Year Unexpended Grant Funds</b>	<b>Current Year Receipts</b>	<b>Current Year Disbursements</b>	<b>End of Year Unexpended Grant Funds</b>
<b>TOWN:</b>							
Department of Agriculture Fire Operations Grant	4,484	-	-	-	4,484	4,484	-
FEMA							
PW-1718-DR-OK Flooding	12,013	12,013	8,056	3,957	-	-	3,957
PW-1883-DR-OK Ice Storm	102,485	87,844	98,919	(11,075)	12,028	-	952
Department of Commerce 14242 CDBG 10	22,633	22,633	22,633	-	-	-	-
Department of Libraries State Aide 2013	3,304	-	-	-	2,974	2,835	139
State Aide 2012	3,526	3,173	1,914	1,259	353	1,259	353
IMLS Reference Grant	2,000	2,000	1,857	143	-	143	-
Federal Aviation Administration Airport Grant 3-40-0014-003-2011	196,842	196,842	190,417	6,425	-	6,425	-
Amo Leer Grant	2,500	2,500	1,347	1,153	-	1,153	-
Oklahoma State Health Department Hospital Package Plan FY12-13	6,000	-	-	-	5,000	1,810	3,190
Okhahoma Highway Safety Incentive Award	4,000	-	-	-	3,612	3,612	-
<b>Town Subtotal</b>	<u>359,787</u>	<u>327,005</u>	<u>325,143</u>	<u>1,862</u>	<u>28,451</u>	<u>21,721</u>	<u>8,591</u>
<b>PUBLIC WORKS AUTHORITY:</b>							
No Activity in Current Year							
<b>PWA Subtotal</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 359,787</u>	<u>\$ 327,005</u>	<u>\$ 325,143</u>	<u>\$ 1,862</u>	<u>\$ 28,451</u>	<u>\$ 21,721</u>	<u>\$ 8,591</u>